

Message Text

LIMITED OFFICIAL USE

PAGE 01 VIENNA 10412 01 OF 02 171101Z

12

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 AF-04 ARA-06 EA-06 NEA-06 RSC-01

EB-07 AID-05 COME-00 SIL-01 LAB-04 TRSE-00 L-02

CIAE-00 INR-05 NSAE-00 /070 W
----- 085115

P R 170843Z DEC 74

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 4399

INFO USMISSION EC BRUSSELS

USMISSION GENEVA

SUMMISSION USUN NEW YORK 2881

USMISSION OCED PARIS

LIMITED OFFICIAL USE SECTION 1 OF 2 VIENNA 10412

EO 11652: NA

TAGS: EAID EGEN OCON US UNIDO

SUBJ: UNIDO - FIFTH SESSION PERMANENT COMMITTEE FIRST PART

REF : (A) VIENNA 10229; (B) VIENNA 10244

SUMMARY: FIRST PART PC-V CONCLUDED EVENING DEC 13 WITH AGREE-
MENT AMONG GROUPS TO HAVE SECRETARIAT PREPARE "UNOFFICIAL"
PAPER JUXTAPOSING COMPARABLE ELEMENTS OF GROUPS B AND 77 AND
SOVIET PAPERS ON DECLARATION OF PRINCIPLES ON INDUSTRIAL-
IZATION AND PLAN OF ACTION. SECRETARIAT PAPER WOULD BE BASIS
FOR POSSIBLE "INFORMAL AND UNOFFICIAL" DISCUSSIONS DURING SECOND
PART OF FIFTH SESSION OF PERMANENT COMMITTEE JAN 20-27, 1975.
AS REPORTED REFTEL B, GROUP B PAPER SUBMITTED AS "CONFERENCE
ROOM PAPER" WITH EXPLICIT OFFER THAT IT SERVE AS ONE OF THE
BASES FOR NEGOTIATION. G-77 CIRCULATED ITS DRAFT DECLARATION
AND PLAN OF ACTION AS INFORMAL PAPER, NOT SUBJECT TO DISCUSSION
WITHIN FRAMEWORK OF PREPARATORY COMMITTEE. G-77 INTENDS TO HAVE
ITS MINISTERS MEET IN ALGIERS FEB 15-18 TO GIVE FINAL CONSIDER-
ATION TO THEIR DOCUMENT AND HAVE STATED THAT THEY UNALBE TO
NEGOTIATE ON CONTENT OF THEIR DRAFT DELCARATION AND PLAN OF
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENNA 10412 01 OF 02 171101Z

ACTION UNTIL AFTER ALGIERS. HOWEVER, G-77 LEFT OPEN POSSIBILITY

OF "INFORMAL AND UNOFFICIAL" DISCUSSIONS, NOT NEGOTIATIONS, AT TIME OF RESUMED SESSION IN JAN. GENERAL FEELING IS GROUP B, WHICH WE SAHRE, IS THAT THERE LITTLE LIKELIHOOD OF ARRIVING AT EVEN PARTIAL AGREEMENT ON A DECLARATION AND PLAN OF ACTION PRIOR TO LIMA IF G-77 MAINTAIN UNWILLINGNESS TO ENTER INTO MEANINGFUL TALKS. THIS PERSPECTIVE MAY CHANGE, EVEN IF G-77 SHOULD TREAT DECLARATION AND PLAN OF ACTION WHICH EMERGES FROM ALGIERS AS NON-NEGOTIABLE EXPRESSION OF THEIR VIEWS TO LIMA MEETING, BUT BE WILLING TO WORK PRIVATELY WITH OTHER GROUPS ON POSSIBLE TEXT TO EMERGE FROM UNIDO-II. HOWEVER, GIVEN UNCERTAINTIES IN THIS RESPECT AND IN LIGHT OF UNACCEPTABILITY OF PRESENT G-77 DRAFT, GROUP B SEES NEED TO CONSIDER TACTICS IN ORDER TO PREPARE FOR POSSIBLE FAILURE TO REACH AGREEMENT AT LIMA AND TO AVOID ONUS OF FAILURE. FOR THIS PURPOSE GROUP B HAS SCHEDULED MEETING IN VIENNA JAN 15-17 PRIOR TO RESUMED PC-V SESSION END SUMMARY.

1. FIRST PART PC-V CONCLUDED EVENING DEC 13 UNDER TUNISIAN CHAIRMAN (MEJDOUB), WHO SUBSTITUTED FOR AVSENT FERNANDINI FOR MOST OF SESSION. REFLECTING VIEW OF G-77, CHAIRMAN NOTED THERE WERE PAPERS OF GROUPS B AND 77 BEFORE PC-V AND THAT NEGOTIATION OF THEM IN THE PREPARATORY COMMITTED FRAMEWORK WAS NOT POSSIBLE, BUT THAT GROUP CHAIRMAN HAD AGREED THAT AN INFORMAL DIALOGUE, BUT NOT NEGOTIATIONS, SHOULD CONTINUE ON BASIS OF THESE PAPERS IN JAN. AT GROUP B SUGGESTION IT WAS ALSO AGREED THAT SECRETARIAT WOULD PREPARE FOR JAN MEETING UNOFFICIAL PAPER JUXTAPOSING POSITIONS OF TWO GROUP PAPERS TO FACILITATE FUTURE TALKS ON UNDERSTANDING SECRETARIAT WOULD NOT COMMENT OR ANALYZE. AT SOVIET INSISTENCE, THEIR MEMORANDUM ON UNIOD II, CIRCULATED TO DELEGATIONS AT THIS MEETING, WOULD ALSO BE TAKEN INTO ACCOUNT IN SECRETARIAT PAPER.

2. LACK OF G-77 AGREEMENT TO BEGIN SERIOUS DISCUSSIONS ON BASIS GROUP DRAFT AND THEIR OWN MOST DISAPPOINTING. GROUP B, BOTH IN PLENARY AND CORRIDORS, EMPHASIZED WILLINGNESS TO START CONSULTATIONS AND NECESSITY OF ARRIVING AT AS FULL AGREEMENT AS POSSIBLE ON A DRAFT OF A DECLARATION AND PLAN OF ACTION PRIOR TO LIMA IF CONFERENCE TO SUCCEED. WE ALSO STRESSED, TO NO AVAIL, MANDATE OF PREPARATORY COMMITTEE FROM GA RESOLUTIONS TO PREPARE DRAFT PROPOSALS FOR LIMA. FOLLOWING MANY CONVERSATIONS WITH LDC DELEGATES, IT CLEAR THAT G-77 NOT WILLING TO NEGOTIATE LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VIENNA 10412 01 OF 02 171101Z

THEIR DOCUMENT PRIOR ITS FINAL APPROVAL IN ALGIERS. WE SUSPECT THAT THEY FEAR THAT ANY NEGOTIATIONS WOULD REOPEN SUBSTANCE THEIR DOCUMENT WHICH THEY HAD GREAT DIFFICULTY GETTING AGREEMENT ON DURING DEC 5-11 RECESS. WHILE THIS MAY BE VALID CONCERN ON THEIR PART, IT THREATENS TO LEAVE US WITHOUT RESPONSIBLE NEGOTIATING PARTNER PRIOR LIMA.

3. GROUP B AGREED IT SHOULD CONTINUE TO TENDER OFFER ON NEGOTIATIONS

TIATIONS. IT DISCUSSED POSSIBILITY OF INDIVIDUAL COUNTRIES
UNDERTAKING DEMARCHES IN SELECTED LDC CAPITALS JPRIO TO JAN
QPAWU SESSION. IT ALSO AGREED THAT GROUP B SHOULD PREPARE FOR
EVENTUALITY THAT LIMA WOULD END IN DISAGREEMENT AND THAT G-77
WOULD ATTEMPT TO ALCE BLAME ON DEVELOPED COUNTRIES. GROUP DECIDED
THAT ONE WAY TO TRY TO AVOID THIS RESULT WOULD BE TO SUBMIT
A GROUP B DRAFT DECLARATION AND PLAN OF ACTION INCORPORAT-
ING ACCEPTABLE LANGUAGE OF G-77 DRAFT TO PREPARATORY COMMITTEE
FOR FORWARDING TO LIMA CONFERENCE. SUCH A PROPOSAL WOULD DEMON-
STRATE OUR ATTEMPT TO BE CONSTRUCTIVE AND POSITIVE. GROUP B
AGREED TO MEET

LIMITED OFFICIAL USE

NNN

LIMITED OFFICIAL USE

PAGE 01 VIENNA 10412 02 OF 02 171110Z

12

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 AF-04 ARA-06 EA-06 NEA-06 RSC-01

L-02 EB-07 AID-05 COME-00 SIL-01 LAB-04 TRSE-00

CIAE-00 INR-05 NSAE-00 /070 W
----- 085256

P R 170843Z DEC 74

FM AMEMBASSY VIENNA

TO SECSTATE WASHDC PRIORITY 4400

INFO USMISSION EC BRUSSELS

USMISSION GENEVA

USMISSION USUN NEW YORK

USMISSION OECD PARIS

LIMITED OFFICIAL USE SECTION 2 OF 2 VIENNA 10412

JAN 15-17, PRIOR TO RESUMED SESSION, TO PREPARE SUCH A DRAFT
AS WELL AS CONSIDER ISSUES OF INDUSTRIAL DEVELOPMENT FUND
AND ADMINISTRATIVE AUTONOMY, WHICH WE EXPECT TO BE DISCUSSED
AT RESUMED PC-V SESSION PURSUANT TO 29TH GA REFERRAL TO LIMA
OF SYG'S REPORTS ON THESE MATTERS. THERE WAS GENERAL AGREEMENT
THAT REPS FROM CAPITALS ATTEND. POSSIBILITY WAS ALSO MENTIONED
OF GROUP B MEETING IN OECD FRAMEWORK AT TIME OF WHAT WE UNDER-
STAND TO BE AN ALREADY SCHEDULED OECD MARCH 5-6 AD HOC MEETING
ON ECONOMIC DEVELOPMENT IN ORDER TO AFFORD OPPORTUNITY ASSESS
SITUATION SUBSEQUENT TO G-77 ALGIERS MEETING. MOREOVER, GROUP

B AGREED TO MEET FOR TWO DAYS IN LIMA, MARCH 10-11, IMMEDIATELY PRIOR TO OPENING OF UNIDO-II CONFERENCE.

4. WHILE DEPARTMENT WILL WANT TO ANALYZE G-77 DECLARATION AND PLAN OF ACTION IN DETAIL, IT SEEMS CLEAR TO US THAT RADICAL ELEMENTS CONTROLLED MUCH OF THE DRAFTING. FINAL VERSION, WHICH SURFACED MORNING DEC 12, DOES NOT DIFFER IN SUBSTANCE FROM FIRST VERSION CITED REFTEL A. MUCH OF LANGUAGE OF DECLARATION STRIDENT AND MANIFESTLY HOSTILE. HOWEVER, US IS IN BASIC AGREEMENT WITH NUMEROUS PARTS OF PLAN OF ACTION. THERE ARE ALSO A NUMBER WHICH GIVE US SERIOUS DIFFICULTIES. WE, ALONG WITH UK AND LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 VIENNA 10412 02 OF 02 171110Z

FRG, TOOK NOTE OF BOTH POSITIVE AND OBJECTIONABLE SECTIONS OF G-77 TEXT IN PLENARY ON FINAL DAY. US DREW ATTENTION INTER ALIA TO CONTROVERSIAL ELEMENTS IN G-77 DRAFT REGARDING NATIONALIZATION ISSUE, ACTIONS OF PRODUCERS' ASSOCIATIONS, ANTI-CIPATORY ADJUSTMENT ASSISTANCE MEASURES BY DEVELOPED COUNTRIES, NON-RECIPROCAL TRADE PREFERENCES FOR LDC'S, AND CODES OF CONDUCT FOR TRANSNATIONAL CORPORATIONS, TRANSFER OF TECHNOLOGY AND LINER CONFERENCES.

5. AGENDA ITEM 6 (FOLLOW-UP TO LONG-RANGE STRATEGY) AND 7 (EVALUATION) HANDLED IN ROUTING FASHION DURING LAST TWO DAYS. US, UK, FRG, INDIA AND USSR PRINCIPAL SPEAKERS ON ITEM 6. ALL URGED MORE SPEEDY SECRETARIAT ACTIONS WITH REGARD TO LONG-RANGE STRATEGY AND NEED TO LOOK AT UPCOMING PROGRAM/BUDGET FOR 1976-77 AT IDB IX WITH THIS IN MIND. SECRETARIAT (AFIFI) RESPONSE MADE POINT THAT IT IS PREMATURE AS YET UNDERTAKE EXTENSIVE SECRETARIAT REORGANIZATION RESPONSIVE TO RECOMMENDATIONS OF AD HOC COMMITTEE ON LONG-RANGE STRATEGY GIVEN FACT UNIDO ACTIVITIES AND INSTITUTIONAL ARRANGEMENTS WOULD BE DISCUSSED AT UNIDO-II. ALSO, USUAL ARGUMENT OF LACK OF FUNDS CITES AS REASON FOR INABILITY TO DO MUCH IN RESPONSE TO RECOMMENDATION I (STUDIES), WITH LENGTHY EXPLANATION THAT UNIDO EXPECTS TO BE IN \$5 MILLION DEFICIT AS RESULT OF SHORTFALL IN OVERHEADS OF UNDP PROJECTS UNDERTAKEN BY UNIOD GIVEN ESTIMATED DELIVERY OF \$61.5 MILLION FOR 1976-77 BIENNIUM, WHICH SHORTFALL MIGHT HAVE TO COVERED FROM REGULAR BUDGET.

6. EVALUATION PUT OFF FOR UNSPECIFIED FUTURE SESSION, WITH US, UK AND FRG RECALLING IMPORTANCE THIS SUBJECT. SECRETARIAT (AFIFI) MADE SPECIAL POINT OF THANKING US FOR KITCHELL STUDY. HE SAID VISIT OF KITCHELL HAD BEEN EXTREMELY USEFUL TO SECRETARIAT.

7 DIRECTOR IPP LE GUAY DEFENDED SECRETARIAT DOCUMENT ID/B/C.3/27, PARTICULARLY PROPOSALS FOR SHARE TARGETS AND INTERNATIONAL CONSULTATIVE MACHINERY. HE ADMITTED HE WOULD NOT BE ABLE TO PRODUCE FOR JANUARY SESSION AN ECONOMETRICAL ANALYSIS OF

PROPOSED SHARE TARGETS WHICH US REQUESTED IN ORDER TO GET SOME
APPRECIATION OF WHAT TARGETS PROPOSED BY SECRETARIAT WOULD
MEAN IN TERMS OF INVESTMENT AND JOBS. LE GUAY ADMITTED THAT
TARGETS WERE NOT BASED ON ECONOMIC EVALUATIONS BUT WERE TARGETS
LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 VIENNA 10412 02 OF 02 171110Z

OF "POLITICAL WILL" BASED IN THE FIRST INSTANCE ON THE SHARE
TARGET ADOPTED FOR AFRICA BY THE AFRICAN MINISTERS IN THEIR
CAIRO DECLARATION ON INDUSTRIALIZATION LAST DEC. STIBRAVY

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MEETING AGENDA, LESS DEVELOPED COUNTRIES, INDUSTRIAL DEVELOPMENT, UNIDO II, CONSULTANTS
Control Number: n/a
Copy: SINGLE
Draft Date: 17 DEC 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: golinofr
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974VIENNA10412
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740366-0714
From: VIENNA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1974/newtext/t19741227/aaaaaxeb.tel
Line Count: 236
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION IO
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 74 VIENNA 10229, 74 VIENNA 10244
Review Action: RELEASED, APPROVED
Review Authority: golinofr
Review Comment: n/a
Review Content Flags:
Review Date: 28 MAR 2002
Review Event:
Review Exemptions: n/a
Review History: RELEASED <28 MAR 2002 by shawdg>; APPROVED <28 MAY 2002 by golinofr>
Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNIDO - FIFTH SESSION PERMANENT COMMITTEE FIRST PART
TAGS: EAID, EGEN, OCON, US, UNIDO
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005